

BEFORE THE TENNESSEE STATE BOARD OF EQUALIZATION

IN RE: Carl & M. J. Jones)
Ward 053, Block 037, Parcel 00040) Shelby County
Residential Property)
Tax Year 2005)

INITIAL DECISION AND ORDER

Statement of the Case

The subject property is presently valued as follows:

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$9,100	\$41,800	\$50,900	\$12,275

An appeal has been filed on behalf of the property owner with the State Board of Equalization. The undersigned administrative judge conducted a hearing in this matter on February 14, 2006 in Memphis, Tennessee. In attendance at the hearing were Martha Jean Jones, the appellant, and Shelby County Property Assessor's representative Ken Washington.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Subject property consists of a single family residence constructed in 1960 located at 3980 Grey Road in Memphis, Tennessee.

The taxpayer contended that subject property should be valued at \$43,000 as it was prior to the 2005 Shelby County reappraisal program. In support of this position, the taxpayer testified that she and her husband have been unable to maintain subject property due to health problems. Ms. Jones introduced photographs to show that subject home has only subflooring and is unfinished in many other respects. In addition, Ms. Jones asserted that subject property experiences a loss in value due to the surrounding area.

The assessor contended that subject property should be valued at \$50,900. In support of this position, three comparable sales were introduced into evidence. Mr. Washington argued that the comparables would normally support a value indication of \$63,000 for subject property. Given the physical condition of the property, however, Mr. Washington recommended the present value of \$50,900 remain in effect.

The basis of valuation as stated in Tennessee Code Annotated Section 67-5-601(a) is that "[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values . . ."

After having reviewed all the evidence in the case, the administrative judge finds that the subject property should be valued at \$44,100. The administrative judge finds that for all practical purposes the assessor has recommended a 20% adjustment in value due to the physical condition of subject property ($50,900 \div 63,000$). Given the severity of the physical

problems and the loss in value also caused by economic obsolescence, the administrative judge finds a total of 30% accrued depreciation should be applied to the indicated value of \$63,000 that would otherwise be supported by the comparable sales. This results in a value of \$44,100 ($63,000 \times .70$).

ORDER

It is therefore ORDERED that the following value and assessment be adopted for tax year 2005:

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$9,100	\$35,000	\$44,100	\$11,025

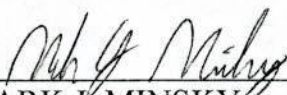
It is FURTHER ORDERED that any applicable hearing costs be assessed pursuant to Tenn. Code Ann. § 67-5-1501(d) and State Board of Equalization Rule 0600-1-.17.

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **“must be filed within thirty (30) days from the date the initial decision is sent.”** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **“identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order”**; or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review; or
3. A party may petition for a stay of effectiveness of this decision and order pursuant to Tenn. Code Ann. § 4-5-316 within seven (7) days of the entry of the order.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 23rd day of February, 2006.



MARK J. MINSKY
ADMINISTRATIVE JUDGE
TENNESSEE DEPARTMENT OF STATE
ADMINISTRATIVE PROCEDURES DIVISION

c: Ms. Martha Jean Jones
Tameaka Stanton-Riley, Appeals Manager